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COMMITTEE MEETING  
STATE OF CALIFORNIA  
INTEGRATED WASTE MANAGEMENT BOARD  
SPECIAL WASTE COMMITTEE

JOE SERNA, JR., CALEPA BUILDING  
1001 I STREET  
2ND FLOOR  
SIERRA HEARING ROOM  
SACRAMENTO, CALIFORNIA

WEDNESDAY, OCTOBER 6, 2004

9:30 A.M.

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CERTIFIED SHORTHAND REPORTER  
LICENSE NUMBER 12277

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

COMMITTEE MEMBERS

Cheryl Peace, Chair

Linda Moulton-Patterson

Carl Washington

STAFF

Mark Leary, Executive Director

Elliot Block, Staff Counsel

Julie Nauman, Chief Deputy Director

Wendy Breckon, Staff Counsel

Boxing Cheng, Staff

Mitch Delmage, Supervisor, Waste Tire Diversion

Bob Fujii, Supervisor, Tire Remediation & Engineering  
Technical Services

Albert Johnson, Staff

Selma Lindrud, Committee Secretary

Georgianne Turner, Supervisor, Tire Facility Permitting &  
Hauler Registration

ALSO PRESENT

Tom Faust, Redwood Rubber, Inc.

Tracey Norberg, Rubber Manufacturers Association

George Savage, Cal Recovery, Inc.

Scott Smithline, Californians Against Waste

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1 PROCEEDINGS

2 CHAIRPERSON PEACE: Good morning, and welcome to  
3 the Special Waste Committee meeting. Looks like we're all  
4 here, so Selma, please call the roll.

5 SECRETARY LINDRUD: Moulton-Patterson?

6 COMMITTEE MEMBER MOULTON-PATTERSON: Here.

7 SECRETARY LINDRUD: Washington?

8 COMMITTEE MEMBER WASHINGTON: Here.

9 SECRETARY LINDRUD: Peace?

10 CHAIRPERSON PEACE: Here.

11 Okay. Thank you.

12 At this time if you could please turn off your  
13 cell phones or pagers and put them on vibrate. There are  
14 agendas on the back table as well as speaker slips. If  
15 you want to address the Committee on an issue, please  
16 bring your speaker slip to Ms. Lindrud.

17 There she is with her hand up. Thank you, Selma.

18 Members, are there any ex partes?

19 Mr. Washington.

20 COMMITTEE MEMBER WASHINGTON: Madam Chair, I'm up  
21 to date.

22 COMMITTEE MEMBER MOULTON-PATTERSON: Up to date.

23 CHAIRPERSON PEACE: And I'm also up to date.

24 Before we begin, I'd like to remind everyone that  
25 we will hold our second workshop on revising the Five-Year

1 Plan on October 29th in the Southern California area in  
2 Diamond Bar. We do want to hear your comments and ideas  
3 on any part of our tire program.

4 COMMITTEE MEMBER WASHINGTON: I think Mitch just  
5 said it's the 27th.

6 CHAIRPERSON PEACE: I'm sorry. 27th. Thank you.

7 And for those of you that were at the one here in  
8 Sacramento last week, thank you for being there.

9 Are we ready for the Executive Director's Report,  
10 Mr. Lee?

11 DEPUTY DIRECTOR LEE: I appreciate the promotion,  
12 Madam Chair. My name is Jim Lee, Deputy Director of the  
13 Special Waste Division. Good morning, Madam Chair, and  
14 good morning, Committee members.

15 COMMITTEE MEMBER WASHINGTON: Good morning,  
16 Mr. Lee. What happened to your --

17 DEPUTY DIRECTOR LEE: I had a little operation on  
18 my hand last week. In fact, it caused me to miss most of  
19 the September 29th hearing that we had on the Five-Year  
20 Plan. But I'm up and ready to go. Hopefully be available  
21 for the upcoming meeting in Diamond Bar later on this  
22 month.

23 A couple of items, Madam Chair. Again, first of  
24 all, I'd like to request the Chair's permission to kind of  
25 reorder the agenda for this morning. I believe we

1 received notification from one of our stakeholders that  
2 would like to speak on Item B, the devulcanization report.  
3 Apparently, he's running a little bit late, so he  
4 requested the Board Chair's indulgence to have that  
5 deferred to the later part of the agenda. So that meet's  
6 with staff's approval, if it meets with yours.

7 CHAIRPERSON PEACE: Because he is one of the most  
8 interested stakeholders on this issue, yes, I agree with  
9 that. We should postpone it until he gets here.

10 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.

11 Again, I want to note that we have pulled Item E,  
12 which is the Consideration of Memorandum of Understanding  
13 between the State of California and Baja, California.

14 Just a little background on that. The existing  
15 Five-Year Plan talks about one of the goals is to enhance  
16 existing efforts to improve the environment along the  
17 California-Mexico border through establishment of a  
18 cooperative relationship with all levels of government  
19 along both sides of the border, issues including the  
20 stockpile of waste tires near border cities, hauling and  
21 transport of tires, and sharing and disseminating  
22 environmental education materials. I think the thought  
23 behind this Item E was that it would be desirable to  
24 formalize or reaffirm the commitment that's in the  
25 Five-Year Plan.

1           However, after further consideration and  
2   discussions with U.S. EPA, who is very much involved in  
3   this process and has an ongoing relationship with the  
4   state of Baja, California in this area, the determination  
5   was made that this MOU could potentially be redundant or  
6   duplicative. So we wanted to make sure any efforts we did  
7   on this or similar efforts were more closely coordinated  
8   with U.S. EPA.

9           So we are pulling this item, and we'll plan to  
10  come back to the Board in the next several months, you  
11  know, with either a revised MOU or some other mechanism,  
12  you know, for the Board to consider and make a decision  
13  about how they want to -- or if they want to do anything  
14  more than the stated goal objective in the Five-Year Plan.

15           COMMITTEE MEMBER WASHINGTON: Mr. Lee, isn't this  
16  the only agreement in the country that California has with  
17  Mexico as it relates to this particular issue? I  
18  understand this is the only agreement that exists anywhere  
19  in the country.

20           STAFF COUNSEL BRECKON: Hi. This is Wendy  
21  Breckon, Staff Counsel.

22           We're just looking at the other agreements right  
23  now. Evidently, the whole border 2012 plan was signed by  
24  Winston Hickox of Cal EPA. In addition, there was other  
25  plans that were signed by U.S. EPA and different Mexican

1 states. However, the Board, I don't believe, has signed  
2 actually an MOU with Baja or any of the other states of  
3 Mexico. So that's what we're kind of looking at to see,  
4 first of all, is it really necessary to have that MOU.  
5 Second of all, who should be the signatories. So I hope  
6 that answers your question.

7 COMMITTEE MEMBER WASHINGTON: Yeah, it does.  
8 That's fine. Thank you. That does. Thank you.

9 DEPUTY DIRECTOR LEE: With that Madam Chair,  
10 again, we talked about reordering the presentation. And  
11 so our first item for consideration would be Item C,  
12 Consideration of Approval of New Items for Remediation  
13 Under the Waste Tire Stabilization and Abatement Program.

14 Albert Johnson will make the staff presentation.

15 MR. JOHNSON: Good morning, Madam chair and  
16 members of the Committee.

17 Periodically, the Board staff brings before the  
18 Board waste tire sites for remediation. This item  
19 contains three sites that we'd like to approve so we can  
20 clean them up. We'll be using the short-term remediation  
21 contract that we have in place to do this work.

22 Typically, these sites are referred to the Tire  
23 Remediation Branch by the Enforcement -- or Tire  
24 Remediation Section from our Enforcement people once the  
25 property owner is unwilling or unable to clean up the



1 site.

2           The first site is the Raymond Road tire fire  
3 site. This is a little site that's located right outside  
4 the city of Madera. There was about 2,000 tires there  
5 that had burned. And the county has been working with us,  
6 and they've asked for our help. There's a letter that's  
7 attached to the agenda item that indicates they would like  
8 some help to clean up this site. The county is also going  
9 to be helping us with gaining site access to the property.  
10 The property owner is in jail and getting site access  
11 shouldn't be a problem for the county. So the cost --

12           COMMITTEE MEMBER WASHINGTON: I'm sorry. Why is  
13 it a problem? The owner is in jail?

14           MR. JOHNSON: That's my understanding. I think  
15 the owner -- the prior owner had died or something like  
16 that or was incapacitated. And I guess their son or  
17 whoever inherited it. And apparently he's in jail, not  
18 for the tires, for something else.

19           COMMITTEE MEMBER WASHINGTON: But still the  
20 problem is to get to the tires, the county can't get  
21 permission to go on the site?

22           MR. JOHNSON: The county can get permission to go  
23 on the site. They can gain site access by some legal  
24 form. And, typically, the Board staff --

25           COMMITTEE MEMBER WASHINGTON: I think if he's

1 under arrest, that should in itself provide some way to  
2 clean that stuff up.

3 MR. JOHNSON: Exactly. But opposed to the Board  
4 staff gaining site access, the county is going to do it  
5 for us and help us out, so it makes it a little easier for  
6 us. It's one less thing to do.

7 COMMITTEE MEMBER WASHINGTON: Thank you.

8 MR. JOHNSON: The cost to remediate this site is  
9 about \$118,000 because the burn tires as we know very well  
10 is going to California hazardous waste and we'll ship it  
11 off to a Class 1 facility.

12 The second site is the San Joaquin River site  
13 located in Fresno County. The tires are in the river.  
14 There's about 2,000 tires. They're in the river. The  
15 river is the border between Fresno and Madera counties.

16 This property is owned by the State Lands  
17 Commission. And we met with them last week to discuss the  
18 cleanup of the tires. And State Lands has fees associated  
19 with working on their property. It's public land, it's  
20 state lands. It's the river. And they've agreed to waive  
21 the fees. And we're going to ask the Board for a waiver  
22 of our cost recovery because it is public land.

23 And I guess there's still ongoing dumping  
24 occurring at this site. And we have our -- the Air Board  
25 has set up surveillance equipment to try to catch the

1 people that are dumping tires. There's about a 60-foot  
2 high vertical embankment, and people just back up and roll  
3 the tires off the embankment down into the river.

4 COMMITTEE MEMBER WASHINGTON: I'm sorry, Madam  
5 Chair. The State Lands Commission hasn't taken any steps  
6 or put any mechanism in place to try to address this  
7 issue? Because it sounds like we're going to try to fix  
8 it for them.

9 MR. JOHNSON: That's true. They don't have any  
10 funding to do the cleanup themselves. We asked them that.  
11 And, actually, the place where the tires are dumped from  
12 are county property. Looks like a little parking lot area  
13 or pull off right on the side of the road. The county  
14 owns that property. So they roll from the county property  
15 down into the river, which is State Lands property. And  
16 we're going to ask the county to do something, to put up  
17 some fencing or some sort of barrier, or this is going to  
18 continue once we clean the river up.

19 COMMITTEE MEMBER WASHINGTON: Right. And that's  
20 what I was just getting ready to say is that somehow the  
21 county needs to step up and put something in place that  
22 will stop them from rolling down into the river or  
23 something like that.

24 MR. JOHNSON: We haven't done that yet, because  
25 they have the surveillance equipment out there. And

1 they're going to try to catch the people that are dumping.  
2 The county's working on that, along with some of our  
3 staff.

4 COMMITTEE MEMBER WASHINGTON: But in the  
5 meantime, we're going to continue to have tires rolling  
6 down into the river, and we'll end up with another 2,000  
7 tires while they're trying to catch somebody.

8 MR. JOHNSON: I don't think they'll get 2,000,  
9 but there probably be will a few more tires.

10 On the other hand, there is a local group -- I  
11 don't know the name of it, like Friends of the River or  
12 something. And these fellows have pulled out, you know,  
13 several hundred tires by hand and stacked them on the  
14 opposite bank where you can walk down to the river. So  
15 the local people -- local volunteer group has done some  
16 cleanup. These tires, of course, still need to be  
17 disposed up. But they're out of the water now and stacked  
18 up in a pile.

19 So the cost to remediate this site is about  
20 \$82,000.

21 CHAIRPERSON PEACE: I just have a question. Here  
22 it says many of the tires are truck and some farm tractor  
23 tires.

24 MR. JOHNSON: There's some truck and farm and  
25 tractor tires.

1           CHAIRPERSON PEACE: Like a lot of them?

2           MR. JOHNSON: Yeah. A total of about 2,000  
3 tires. So maybe half, something like that. Maybe a  
4 little more.

5           CHAIRPERSON PEACE: I'm just wondering -- because  
6 I know Michael Harrington was here at one of our hearings  
7 from BAS Recycling. He was saying he could not get enough  
8 truck tires and not get enough farm tires. He would take  
9 any tires that he could get his hands on. Have we thought  
10 about contacting him at all to see if he would want these  
11 tires?

12          MR. JOHNSON: We can contact him, sure, and see  
13 if he's interested. Because as we clean up all these  
14 sites, we will bid out the trucking and disposal or reuse  
15 of the tires. That will be bid out. So we'll make sure  
16 we contact him to see if he's interested. But then again,  
17 these tires have been sitting down there in the river for  
18 who knows how long. I don't know how if he can recap  
19 them.

20          CHAIRPERSON PEACE: He's crumbing them. He wants  
21 them for crumbing.

22          MR. JOHNSON: We'll make sure we contact him.  
23 We'd certainly like to see them go for reuse.

24                The last site is the Wild Wash waste tire site.  
25 There's about 4500 tires in the high desert, San

1 Bernardino I think this site is just east of Victorville.

2 This fellow has already been issued a Cleanup and  
3 Abatement Order and an Administrative Complaint by our  
4 Legal office. And the cost to remediate this site is  
5 \$10,000. This is pretty much a straight forward simple  
6 remediation out in the middle of the desert.

7 CHAIRPERSON PEACE: Here it says that the Board  
8 is going to pursue cost recovery.

9 MR. JOHNSON: Yes.

10 CHAIRPERSON PEACE: Against who?

11 MR. JOHNSON: Against the property owner.

12 CHAIRPERSON PEACE: And then what are they going  
13 to do to keep it from happening again?

14 MR. JOHNSON: Out in the desert. I'm not that  
15 familiar with this site. But we'll see if there's  
16 anything that we can do to prevent the dumping on this  
17 property.

18 CHAIRPERSON PEACE: I just had one other question  
19 on those three sites. I know Fresno has an Enforcement  
20 Grant from us. Does Madera and San Bernardino?

21 MR. JOHNSON: I don't think Madera does.

22 SUPERVISOR FUJII: Bob Fujii, Special Waste  
23 Division.

24 Madera County does not have them, but I  
25 understand the city of Madera does. However, the site is

1 not probably within the city limits.

2 CHAIRPERSON PEACE: And, of course, San  
3 Bernardino doesn't have an Enforcement Grant either.

4 SUPERVISOR TURNER: Georianne Turner, for the  
5 record.

6 San Bernardino County Code Enforcement has a  
7 grant with us and several cities.

8 CHAIRPERSON PEACE: I just wonder if we're  
9 keeping track who we give our remediation money to and who  
10 has Enforcement Grants, so we see if there's any  
11 correlation between how our enforcement is working.

12 SUPERVISOR TURNER: No, is the short answer. I  
13 know we've tried to get local jurisdictions to apply for  
14 grants, especially for these small ones because it's more  
15 economical. But in some cases they don't have the  
16 resources to do it.

17 CHAIRPERSON PEACE: It would be interesting to  
18 know if the same ones that are applying over and over for  
19 these grants are the ones that don't have any enforcement.  
20 Maybe we could start a little chart that says, you know,  
21 this is who we're giving the money to. Do they have an  
22 Enforcement Grant or not.

23 So in the San Bernardino one, the county has an  
24 Enforcement Grant?

25 SUPERVISOR TURNER: The Code Enforcement does.

1           CHAIRPERSON PEACE:   Okay.   Thank you.

2           MR. JOHNSON:   Is there any other questions on  
3 this item?

4           CHAIRPERSON PEACE:   No questions.   Okay.

5           MR. JOHNSON:   Staff recommends approval of  
6 Resolution 2004-270.   That concludes my presentation.

7           DEPUTY DIRECTOR LEE:   Madam Chair, excuse me.  
8 One probably modification we probably want to make to the  
9 resolution if we can now, again, for the Board to  
10 formalize its understanding and approval to waive the cost  
11 recovery on the State Land Commission site.   And that's  
12 not explicit in the resolution.   And on the advice of  
13 legal counsel, we think it would be desirable to include  
14 that provision.

15          CHAIRPERSON PEACE:   Do I have a motion?

16          COMMITTEE MEMBER WASHINGTON:   Madam Chair, I'd  
17 like to move adoption of Resolution 2004-270.

18          COMMITTEE MEMBER MOULTON-PATTERSON:   Second.

19          CHAIRPERSON PEACE:   As amended the way Mr. Lee  
20 suggested that we amend the item; right?

21          DEPUTY DIRECTOR LEE:   For the Board to  
22 acknowledge they are waiving cost recovery on the State  
23 Lands Commission site.

24          COMMITTEE MEMBER WASHINGTON:   As revised.

25          CHAIRPERSON PEACE:   Okay.   We have a motion by



1 Mr. Washington and a second by Ms. Moulton-Patterson.

2 Please call the roll.

3 SECRETARY LINDRUD: Moulton-Patterson?

4 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

5 SECRETARY LINDRUD: Washington?

6 COMMITTEE MEMBER WASHINGTON: Aye.

7 SECRETARY LINDRUD: Peace?

8 CHAIRPERSON PEACE: Aye.

9 And this is a fiscal item. So it will be sent to  
10 the full Board with the Committee support.

11 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.

12 Item D is Consideration of the Scope of Work for  
13 the Waste Tire Short-Term Remediation Contract, Tire  
14 Recycling Management Fund, Fiscal Years 2004-05 and  
15 2005-06.

16 Albert Johnson will make the staff presentation.

17 MR. JOHNSON: Good morning, again, Madam Chair,  
18 members of the Committee.

19 This is a proposed scope of work for the  
20 short-term tire remediation contract. This is the  
21 contract that's used to clean up sites, just like the ones  
22 I proposed in my last item.

23 The Board's awarded five of these contracts over  
24 the last ten years, and the contract that we have in place  
25 expires in May 2005. It's likely --

1           CHAIRPERSON PEACE: So we need to start this  
2 procedure this early?

3           MR. JOHNSON: We're getting a head start on it  
4 now, because it's better to be ahead than behind. And I  
5 have some field work to get done over the winter. So we  
6 figured we'd get things going now. The contract won't in  
7 place until we get the funding in July 2005, about the  
8 time the other contract expires.

9           So this contract will be used to clean up other  
10 small to medium size waste tire sites. Should be used for  
11 some of the Sonoma sites, it would be used to clean up  
12 with this contract.

13          The scope of work is similar scope of works we've  
14 had in the past. It contains the basic elements that are  
15 required to clean up a waste tire site. And once the  
16 Board approves the scope of work, then we'll issue an RFQ,  
17 request for qualifications, and contractors will then  
18 submit their proposals to us which a Selection Committee  
19 that I put together will review and will interview the top  
20 several contractors as qualified.

21          After that, we'll return to the Board to get the  
22 contractor approved. The total for this -- and that will  
23 probably happen, I'm expecting, in maybe January or  
24 February of next year. The total amount for this contract  
25 is \$3 million. \$1 1/2 million will come from the 04-05

1 money. And the additional million-and-a-half-dollars will  
2 come from 05-06. That's the way it's presented in the  
3 Five-Year Plan that we have.

4 Board staff recommends approval of Resolution  
5 Number 2004-271. I'd be happy to answer any questions  
6 about this item.

7 CHAIRPERSON PEACE: I have a question actually in  
8 the scope of work where they talk about vector control.  
9 It says, "To develop vector control plans for the control  
10 of insects, rodents, and other vectors at the site." What  
11 exactly does that entail?

12 MR. JOHNSON: Vector control plan, if we had a  
13 bunch of mosquitoes, say, that the tires had water in them  
14 in the springtime and there's a lot of mosquitoes flying  
15 around and maybe we get someone to come in and spray the  
16 tires and kill the mosquitoes before we start cleaning  
17 them up.

18 DEPUTY DIRECTOR LEE: Albert, didn't we have to  
19 do that on the Sonoma sites when they were -- our  
20 contractor was down there and had a problem with the  
21 mosquitoes?

22 MR. JOHNSON: Yeah. There can be quite a few  
23 mosquitoes around Sonoma.

24 CHAIRPERSON PEACE: The money we have in the  
25 Five-Year Plan for vector control with DHS doesn't have

1 anything to do with this?

2 MR. JOHNSON: No, I don't think so.

3 CHAIRPERSON PEACE: If it had to be sprayed --  
4 these sites had to be sprayed, that money would come  
5 from --

6 DEPUTY DIRECTOR LEE: The short-term remediation  
7 contract. That's correct.

8 CHAIRPERSON PEACE: It didn't have anything to do  
9 with the vector control --

10 DEPUTY DIRECTOR LEE: No. The vector control  
11 proposal we've seen -- I think that was the proposal --I  
12 can't remember the group that put it forth. But it was  
13 discussed at the September 29th workshop. That's a  
14 research proposal. It would have no involvement with the  
15 work that might need to be done as part of these  
16 short-term remediation efforts.

17 CHAIRPERSON PEACE: We have money in our  
18 short-term remediation account for vector control already?

19 DEPUTY DIRECTOR LEE: On these cleanup sites.

20 CHAIRPERSON PEACE: Okay. Another question I had  
21 was last year, 03-04, for the short-term remediation  
22 amount. How much -- we had \$1.2 million allocated. How  
23 much of that did we use?

24 MR. JOHNSON: I think that money went to the  
25 Tracy project.

1           CHAIRPERSON PEACE: So we didn't use any of that  
2 for --

3           MR. JOHNSON: It was reallocated to Tracy.

4           CHAIRPERSON PEACE: There was never any need  
5 for any short-term money?

6           MR. JOHNSON: No. In fact, the current contract  
7 was written for a total of \$4 1/2 million. It has \$3  
8 million worth of funding, and there's about a  
9 million-and-a-half-dollars remaining right now that we can  
10 use to clean up sites, like the sites in the desert.  
11 There's several sites in the desert, actually, that have  
12 been approved already by the Board that would go into  
13 cleanup.

14          CHAIRPERSON PEACE: Run that by me again. We had  
15 1.2 million in the fund. We didn't use it. We put it  
16 into the fund for Tracy. Where did you say the money was  
17 coming from?

18          MR. JOHNSON: The prior years. There was a  
19 million-and-a-half-dollars for each of the prior fiscal  
20 years, for a total of \$3 million that are in the contract  
21 right now.

22          CHAIRPERSON PEACE: So is the only reason we're  
23 asking in the scope of work for 1.5 million for 04-05 and  
24 05-06 is because that's what's in the Five-Year Plan?

25          MR. JOHNSON: That's correct.

1           CHAIRPERSON PEACE: That's not because we need  
2 that much?

3           MR. JOHNSON: Well, we probably do need that  
4 much. It just depends on which sites. The Sonoma is kind  
5 of the key to this upcoming contract, because it will be  
6 used out there.

7           CHAIRPERSON PEACE: So Sonoma isn't a long-term  
8 remediation plan?

9           MR. JOHNSON: No. The Sonoma projects are  
10 short-term. The long-term remediation projects, they were  
11 Westley and Tracy, the great big ones. Those were 9 and  
12 \$11 million.

13          CHAIRPERSON PEACE: Sonoma has been around for  
14 ten years. That's not long term?

15          MR. JOHNSON: No.

16          SUPERVISOR FUJII: Bob Fujii, Special Waste  
17 Division. Just a little more clarification on that.

18               The existing funding for this contract is coming  
19 out of current budget year and then the following budget  
20 year. In the previous contract, the funds you're talking  
21 about that came out of 03-04 were moneys that could have  
22 gone into our next short-term remediation contract. But  
23 at the time, the Sonoma sites were on hold, as you pointed  
24 out. I mean, we're not ready to do those yet. So at that  
25 point the money was reallocated back, whenever we did the

1 reallocation, May or June of this last year or this year.

2 CHAIRPERSON PEACE: You feel like you need this  
3 amount of money for Sonoma?

4 SUPERVISOR FUJII: Right. We're going to be  
5 definitely doing one of the larger Sonoma sites in June.  
6 Our current contract is going to expire May 15th of this  
7 year. So we will have no short-term remediation contract  
8 after this date. This contract is the continuation  
9 contract to continue our short-term remediation efforts.  
10 And we've been using that contract --

11 CHAIRPERSON PEACE: So you think you're only  
12 going to need \$3 million for Sonoma for two years?

13 SUPERVISOR FUJII: The one site, the Karen  
14 Gerbosi site by itself is, I believe, about a million  
15 dollars in itself. And then the remaining sites -- I  
16 don't remember the total dollar amounts for all the sites.  
17 But, conceivably, we would be working on all those sites  
18 in the next two years. And I believe the cost estimate of  
19 those is right within 2 to \$3 million to do all of them.  
20 That's not including any new sites we'll be bringing  
21 forward, like the ones you just heard in the previous  
22 item. So we're anticipating that we will definitely have  
23 a need for at least that amount of money and possibly  
24 more. It just depends on what our enforcement efforts  
25 turn up.

1           CHAIRPERSON PEACE: By approving this item, are  
2 we setting in stone then the 1.5 amount for 05-06 in the  
3 Five-Year Plan revision? So when we review the Five-Year  
4 plan, for some reason we wanted to change that amount, we  
5 couldn't do it?

6           SUPERVISOR FUJII: I believe you can. I mean,  
7 the only thing that you would be encumbering would be the  
8 current budget year moneys, which would be the 04-05  
9 funds. The 05-06 funds would still be subject to changes  
10 in the Five-Year Plan at that point. If it did get  
11 changed by the Board, we could come back and revisit that,  
12 because that money wouldn't be available for this contract  
13 until July 1st of the following year.

14          CHAIRPERSON PEACE: So if most of this money is  
15 going to go to Sonoma, how much do you think we'll need  
16 for other cleanup, like the desert sites?

17          SUPERVISOR FUJII: On the existing list, I  
18 believe there's probably at least \$200,000 worth of sites  
19 that we've yet to clean up. In the item you just  
20 approved -- what's the dollar amount?

21          MR. JOHNSON: We had maybe a little over  
22 \$200,000.

23          SUPERVISOR FUJII: So say in rough numbers  
24 400,000 outside of Sonoma that we're going to clean up  
25 over the next year that we know about currently.



1           CHAIRPERSON PEACE: Those are only the ones we  
2 know about currently?

3           SUPERVISOR FUJII: Yes.

4           CHAIRPERSON PEACE: So there aren't big tire  
5 piles all over the place that are full of mosquitoes that  
6 we know about?

7           SUPERVISOR FUJII: We hope not, but we've yet to  
8 uncover them so --

9           CHAIRPERSON PEACE: Okay. And also the only  
10 other question I had, I guess I don't understand how this  
11 works when it says "amount available, 3 million. Amount  
12 to fund the item is 1.5 million." So you have 1.5  
13 remaining. If we're approving this for 1.5 million for  
14 04-05 and 05-06, why does it say only 1.5 million to fund  
15 the item?

16          MR. JOHNSON: It's because only 1.5 million will  
17 go in as of next July. We'll have at that time a  
18 million-and-a-half-dollars available to do work with, and  
19 we'll need to wait to the next fiscal year for the  
20 additional money.

21          SUPERVISOR FUJII: The contract is being approved  
22 for 3 million total which would include funding from both  
23 fiscal years. Both current budget year 04-05 --

24          CHAIRPERSON PEACE: Why does it say amount to  
25 fund the item is 1.5 million?

1           SUPERVISOR FUJII: Because we only have the 1.5  
2 this year. We don't have the next year's allocation yet  
3 until the Governor approves the budget and the Board  
4 approves the Five-Year Plan allocation. So we're not  
5 assuming that that money is going to be there. We're  
6 anticipating it will be, but we can't count on it being  
7 there for sure. We're just informing the Board that's  
8 when the current Five-Year Plan says. In the event that's  
9 what the Board direction is in approval of the next  
10 iteration of the Five-Year Plan, it will be there for this  
11 particular reason. But if not and that amount changed,  
12 we'll have to revise it. Or it will stay the same, if  
13 that's what the Board chooses to do.

14           CHAIRPERSON PEACE: Any other questions?

15           Do I have a motion?

16           COMMITTEE MEMBER MOULTON-PATTERSON: I'd like to  
17 move Resolution 2004-271, Consideration of Scope of Work  
18 for the Waste Tire Short-Term Remediation Contract, Tire  
19 Recycling Management Fund, Fiscal Year 2004-2005 and  
20 2005-2006.

21           COMMITTEE MEMBER WASHINGTON: Second.

22           CHAIRPERSON PEACE: I have a motion by  
23 Ms. Moulton-Patterson, a second by Carl Washington.

24           We can substitute the previous roll call.

25           This isn't considered a fiscal item, is it,

1 because this money is already set aside in the Five-Year  
2 Plan? Can we put this on consent? Or does it need to be  
3 moved to the full Board as a fiscal consensus item?

4 We can put it on consent. Any objection to  
5 consent? We'll put this on as a consent item.

6 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.

7 Go back to Item Number B, Presentation and  
8 Discussion of the Draft Report Entitled, "Evaluation of  
9 Waste Tire Devulcanization Technologies," Tire Recycling  
10 Management Fund, Fiscal Year 2002-03, IWM-C2048X. Boxing  
11 Cheng will make a brief presentation and introduce the  
12 report contractor.

13 MR. CHENG: Good morning, Madam Chair and Board  
14 members. This is Boxing Cheng. I'm here to present this  
15 item for Board discussion on the draft report "Evaluation  
16 of Waste Tire Devulcanization Technologies."

17 On February 11th, 2003, Board approved a scope of  
18 work. On May 13th, 2003, the Board awarded the contract  
19 to Cal Recovery.

20 Devulcanization of tire rubber is a process that  
21 breaks down the molecular crust link, also chemical bonds  
22 between the sulfur rubber molecules, such as carbon sulfur  
23 bonds or sulfur, sulfur bonds. Devulcanization rubber  
24 could be a substitute for virgin rubber. It is potential  
25 revolution method for recycling waste tire rubber.

1           The purpose of this study is for contractor to  
2   conduct an investigation into the current status of these  
3   technologies from bench-scale laboratory projects to  
4   commercial-industry scales. The result of the evaluation  
5   provides information to assist the Board in determining  
6   whether to fund devulcanization projects. Mr. George  
7   Savage prepared a presentation to Board to authorize major  
8   funding on this study.

9           (Thereupon an overhead presentation was  
10          presented as follows.)

11          MR. SAVAGE: Good morning, Madam Chair and  
12   Committee members.

13                               --o0o--

14          MR. SAVAGE: My pleasure to be here. As Boxing  
15   indicated, we performed a study for the Integrated Waste  
16   Management Board to look at the devulcanization of waste  
17   tire rubber. And I guess for the record I'll state my  
18   name. I'm George Savage. I'm actually Executive Vice  
19   President of Cal Recovery.

20          Just as an introductory remark, devulcanization  
21   of rubber and even waste tire rubber has a fairly long  
22   history. But it's been kind of a checkered history. And  
23   one of the objectives of our study was trying to gather  
24   some facts so we could understand why is the history  
25   checkered and what are the important factors that might

1 govern this technology to acceptance and promulgation in  
2 the state of California.

3 --o0o--

4 MR. SAVAGE: I'd like to just give an idea who  
5 worked on this project. Cal Recovery was the prime  
6 contractor. We had a number of different sub-consultants,  
7 simply because this job is -- or this project was  
8 particularly onerous in terms of data collection. And  
9 there's a lot of chemistry involved. So we had Dr. Kenat  
10 who has some background in tire manufacturing tire R&D;  
11 Dr. Isayev from the University of Akron, who has much  
12 experience in devulcanization of rubber and of waste tires  
13 and different types of technology. Mr. Katin has some  
14 background in environmental controls, environmental  
15 impacts of different types of chemical processes. And,  
16 lastly, we utilized our sister company Cal Recovery in  
17 Europe, which is located in the UK, to help us with the  
18 literature search, in particular trying to define what's  
19 happening in Europe and Asia.

20 --o0o--

21 MR. SAVAGE: I'm going to give hopefully a five-  
22 to seven-minute presentation, so obviously I can't cover  
23 everything in the report. But I'm going to try to  
24 highlight the more important aspects.

25 So, first, I'd like to describe how we did the

1 study. First of all, we tried to collect all the data  
2 that we could, both from the literature as well as through  
3 personal contacts. That included contracting university  
4 researchers, technology developers, government agencies,  
5 user markets, and a variety of other sources.

6           The next step was after we collected the data, to  
7 compile the data, analyze the data, and produce some  
8 results. So going into the study, we hoped to be able to  
9 find the key types of technologies. There are several  
10 that I'll describe later. The equipment and operating  
11 requirements, we wanted that information so we could  
12 estimate the processing cost, which is going to be very  
13 important, as I'll indicate in a minute. Look at the  
14 environmental issues that might apply to the technology.  
15 And, last but not least, look at barriers to the  
16 technology.

17           COMMITTEE MEMBER WASHINGTON: George, who did you  
18 use to do the research for you? I saw you had university,  
19 government agencies. How did you do your research in  
20 terms of extracting this information?

21           MR. SAVAGE: Okay. We went to a variety of  
22 different sources. Professor Isayev was from University  
23 of Akron. He was a subcontractor. So we got information  
24 from him simply because he's on our team.

25           We would also contact other researchers that

1 we've identified through one means or another who are  
2 working on devulcanization or had worked on  
3 devulcanization. We would ask them for any information  
4 they're willing to provide. In some cases, we got peer  
5 review papers. In some cases, we got un-peer reviewed  
6 great literature. That's how we collected the  
7 information. I'm trying to read in what your question may  
8 be about. We did not hire anybody to actually do research  
9 and development on devulcanization.

10 COMMITTEE MEMBER WASHINGTON: I was just simply  
11 asking how did you abstract the information. I didn't  
12 know if you used students or if you did a research with  
13 the university or kids at the university or the students  
14 at the university. I wasn't putting anything into it. I  
15 was just --

16 MR. SAVAGE: I was just trying to answer your  
17 question.

18 In terms of what happens after we got the data  
19 from a university, we analyzed the data, try to draw  
20 conclusions, see what quality the data was. And that went  
21 into a whole mix. Ultimately, Cal Recovery assembled all  
22 this information and put it together. So in terms of the  
23 bottom line who was responsible for the analysis, that  
24 rests with our company, and to a certain degree from our  
25 sub-consultants, because they are involved pretty well

1 through the whole process.

2 --o0o--

3 MR. SAVAGE: Then the last step after we had some  
4 results was to develop some conclusions and  
5 recommendations. And I'll get into those later. Again,  
6 we separated them into research and development, technical  
7 issues, and markets and uses.

8 --o0o--

9 MR. SAVAGE: Now in terms of some of the results,  
10 just to give you a little background the different types  
11 of technologies that we identified. One is chemical. And  
12 the basis of that processing operation are chemicals and  
13 chemical reactions. And the zone of the reaction refers  
14 to where is the reaction taking place. That's on the  
15 surface of the particles, primarily in a number of these,  
16 including chemical. And the reason that's relevant will  
17 become obvious a little bit later when we talk about  
18 product quality.

19 The next type of technology we identified is  
20 ultrasonic. Uses ultrasonic waves. Those are sound  
21 waves, high frequency sound waves. And that reaction  
22 takes place on the surface as well as inside of the  
23 particle.

24 Another technology is microwaves. Use  
25 electromagnetic radiation, long wave radiation. And that



1 also operates inside of the particle.

2           The last major one we identified is a biological  
3 type of reaction. That uses microorganisms, obviously.  
4 And that reaction also takes place in the particles.

5           And then there were a variety of other operations  
6 that we identified. One is simply applying a lot of  
7 pressure and force or squeezing, I guess would be the  
8 layman's term, and steam, which is a thermal process along  
9 with some others that are identified that we covered in  
10 the report, and they operate on the surface of the  
11 particles.

12           Just to give you an idea of another important  
13 factor that's not on the slide, in terms of how long does  
14 the process take, chemical processes take on the order of  
15 hours. Ultrasonic is on the prder of seconds. Microwave  
16 on the order of seconds. Biological on the order of days  
17 or months. And then there's a variety of other times.

18           So I'm just trying to give you an idea of what  
19 that is. Because if you're not familiar with the  
20 technology, I think it's an important thing to understand.

21                               --o0o--

22           MR. SAVAGE: Now I'm going to get into a couple  
23 of the real issues that are underlying some of the  
24 decisions you're probably going to have to make.

25           One has to do with what's the quality of

1 devulcanized rubber. Probably the biggest potential of  
2 devulcanization is you can produce a high quality product,  
3 which has a lot of benefits, as I think we all know.  
4 Number one is it makes it relatively inelastic to market  
5 fluctuations and market price. I'll give you some  
6 examples of that later.

7           What are we looking at in the industry just in  
8 terms of typical products that are produced in the  
9 industry from virgin rubbers? We're talking about  
10 variation in the properties of 10 percent normally are  
11 acceptable. In some cases, you can have variations of 20  
12 percent. That's like the baseline that we compare with  
13 devulcanization.

14           In terms of variations in the properties of  
15 product from devulcanized rubbers, usually with end  
16 products compounded with other materials that include a  
17 virgin feedstock, the range is from 70 to -- excuse me --  
18 from 10 to 70 percent lower quality than those of products  
19 produced from virgin rubber. These are from data that we  
20 actually acquired and are given in the report. The  
21 preponderance of evidence of the data, however, shows a  
22 quality that's 20 to 24 percent less than products made  
23 from virgin rubber.

24           So in terms of what is the state of the art, we  
25 cannot produce a quality that is commensurate with virgin

1 materials. So that's one of the barriers that we're going  
2 to have to overcome if we want to produce a high quality  
3 material.

4 CHAIRPERSON PEACE: There's still no way tire  
5 manufacturers would use devulcanized rubber for their  
6 tires.

7 MR. SAVAGE: I won't --

8 CHAIRPERSON PEACE: At this point.

9 MR. SAVAGE: Not 100 percent. No way, given the  
10 given. They may use a portion of their tire compound of  
11 this type of material, if it was of suitable quality. But  
12 I don't think there's any information in the world we  
13 could give a tire manufacturer now that would convince  
14 them they ought to use a high percentage, unless they've  
15 got the research information themselves and we never saw  
16 it.

17 --o0o--

18 MR. SAVAGE: Now I mentioned there are two  
19 important aspects of evaluating devulcanization. I'm  
20 trying to get to the bottom line, because I think that's  
21 what is important to you folks.

22 The cost of devulcanization tends to be high  
23 compared to what the competition is. And we estimated  
24 among those different types of technology a range of 70  
25 cents to \$1.20 a pound, and that's primarily based on

1 research, size, operation. So there may be some cost  
2 savings if we go to a larger scale operation.

3 But what I'd like to show you in this graph,  
4 because I think it really tells the tail, is we took some  
5 data for virgin rubber and we showed what the price range  
6 is over the last 20 years. And you can see it kind of  
7 hovers around 50 cents. If you look on the right-hand  
8 side, 50 cents a pound. But you notice what happened in  
9 1994, it started to go way up, 1996, and then started  
10 coming down in 1998. It's not a coincidence. When you go  
11 to the literature, you start seeing a whole lot of  
12 information, both marketing as well as research studies,  
13 looking at devulcanization in that time period.

14 What's happened recently is the price has  
15 dropped, and the research is more or less -- is very much  
16 less. So the bottom line is that devulcanization  
17 apparently can be cost effective during certain economic  
18 cycles. However, when the price is down around 50 cents,  
19 30 cents a pound, the devulcanization industry is going to  
20 have trouble competing. That's regardless of what the  
21 quality is, which is a whole separate issue and has been  
22 hard to define.

23 Which gets back to one of my earlier statements,  
24 that it's been a checkered history for devulcanization.  
25 When the price of virgin materials is high, there's a lot

1 of interest in devulcanization. Or there's scarce.  
2 During the '60s and '70s, the commodities were scarce.  
3 The raw feedstocks were scarce. The price was up. It  
4 made sense to look at devulcanization. A similar  
5 situation happened in 1993 and 1994.

6 The problem we have in industry, at least based  
7 on our research, is that we can't compete. The  
8 devulcanization industry cannot compete during the whole  
9 marketing period during a long time. And that's not  
10 unusual when we're talking about waste materials. It's  
11 typically cyclic.

12 So the advantage of devulcanization is if we can  
13 improve the quality, then we can hopefully have a product  
14 that would be relatively inelastic to these kind of price  
15 pressures.

16 --o0o--

17 MR. SAVAGE: Now in terms of key findings. I  
18 think we did a very good job putting together the  
19 information. I think this is a compendium that can serve  
20 as a reference work, if nothing else. But we fought a lot  
21 of hurdles in order to get data.

22 One is proprietary claims. It's a very close nit  
23 community. There's probably like five groups that kind of  
24 command all the R&D, and they want to protect their  
25 information.

1           There's also the issue of people are always  
2 trying to put forth the good information and not put  
3 forward the bad information. It's kind of -- we see a lot  
4 of the good information, and we have to surmise what the  
5 bad information is.

6           Limited number of technology research and  
7 developers and especially a peer-reviewed data. It's  
8 almost impossible to tie all the different aspects of a  
9 devulcanization project together. And I'll describe that  
10 in more detail later.

11           There's only a small number of low capacity  
12 devulcanization systems operating in the U.S., and I think  
13 we could extend that to North American, on the order of  
14 100 pounds an hour. Commercial scale is more like 1,000  
15 pounds an hour. It's a factor of ten lower. Most if not  
16 all are an R&D scale, and primarily they're mechanical or  
17 ultrasonic.

18                               --o0o--

19           MR. SAVAGE: There's no proven commercial  
20 capacity units currently identified for processing waste  
21 tires on a commercial scale, which would be 1,000, 2,000  
22 pounds per hour. That's not to say that some folks  
23 haven't done it for a year or two or whatever. I think  
24 the issues are, can they do it long term? Can they put up  
25 with the price downturns? And what's the quality of the

1 material? And what percent devulcanized material are they  
2 putting in with the products they produce?

3           The best technology appears to be ultrasonic  
4 based on the current state of the art. Little, if any,  
5 reliable data exists relating to waste tire  
6 characteristics. The characteristics of the devulcanized  
7 product and the production cost, that's the real hole, in  
8 our opinion, with regard to devulcanization. We need a  
9 project or a description that tells us what the  
10 characteristics of the tire were, what kind of process was  
11 used, what were the operating characteristics, what was  
12 the characteristics of the product, based on some type of  
13 market measurement, test standard or whatever. That  
14 doesn't exist as far as we know, especially in the open  
15 information.

16                               --o0o--

17           MR. SAVAGE: Estimated production costs for  
18 devulcanized rubber are currently too high for it to  
19 compete with virgin rubbers. Devulcanization of single  
20 rubbers has much more history than that for multi-rubber  
21 mixture, such as waste tires.

22           I was trying to think what would be an analogy  
23 that might be more familiar to you. I think we all know  
24 the effort that needs to be put forth to market paper from  
25 mixed waste. There's all kinds of different components of

1 paper. You can look at devulcanization and weight tires  
2 analogously as trying to take just mixed paper from solid  
3 waste, even if you could just separate the mixed paper,  
4 and turn it all into cardboard, corrugated feedstock.  
5 That's the kind of technical hurdle that we're looking at.  
6 So hopefully that gives you kind of an understanding of  
7 the complexity of the issue. The quality of  
8 devulcanization multiple rubbers are lower than that of  
9 devulcanized single rubbers.

10 --o0o--

11 MR. SAVAGE: In fact, we have circumstantial  
12 evidence that given the lower price for the virgin  
13 feedstocks for contributing -- or from which products  
14 could be made, now some of the folks that were looking at  
15 devulcanization of mixed tires are looking at  
16 devulcanization of single types of rubbers simply because  
17 it's easier.

18 Markets and uses for devulcanized are scarce.  
19 They're opportunistic. By that we mean there may be a  
20 special situation where you have a big supply of tires and  
21 a market very close to where they could be processed. And  
22 it lacks history and it lacks standards. We found very  
23 little information on devulcanized rubber materials in  
24 terms of what's a complete chemical analysis, what are all  
25 the important mechanical and chemical properties. That



1 information to us simply cannot be found.

2           It's an uphill struggle for devulcanization. As  
3 I indicated, it's been done before. That's not to say it  
4 couldn't be done in the state of California. I think the  
5 real opportunity is if, in fact, devulcanization could  
6 produce a high-quality devulcanized material from waste  
7 tires at a competitive price, we get rid of this cyclic  
8 market thing, sometimes you simply have to put up with  
9 lower priced commodities. That's the real advantage. So  
10 I think the crux of the matter is we have to identify what  
11 it really costs and can we produce a product of high  
12 quality and substantiate that.

13                               --o0o--

14           MR. SAVAGE: Key barriers, reliable and  
15 comprehensive -- I only have two. Reliable and  
16 comprehensive date. Again, we would like to see some  
17 study that shows us the whole story from A to Z. These  
18 are the tires that come in. This is the process. This is  
19 what it costs. These are the product properties. And  
20 this is how it can be used. Or this is how it is being  
21 used. All covered in one project so everybody can  
22 understand the sensitivities of the product quality and  
23 what the economics are sensitive to.

24           We must reduce the cost of production and prove  
25 product quality in markets. Devulcanized products in most

1 cases are not competitive with alternative feedstocks.  
2 That's really what the problem is. If the price of rubber  
3 was three times what it was now, there would be a lot more  
4 devulcanization research and probably a lot more people  
5 using crumb feedstock and producing devulcanized rubber.

6 So with that, that wraps up my rapid review of a  
7 pretty complex topic. I'd be happy to entertain questions  
8 from the Committee. Thank you.

9 CHAIRPERSON PEACE: You were saying if the price  
10 was competitive that there would be more demand for the  
11 devulcanized rubber. But you also said that right now the  
12 devulcanizing methods are only using single types, only  
13 devulcanized single types of natural synthetic rubber.  
14 And they're not devulcanizing tires.

15 MR. SAVAGE: No. There is two things I said.  
16 First, there are folks who are now devulcanizing waste  
17 tires. It's primarily research, though. There are  
18 companies that up to a few years ago or a year ago were  
19 devulcanizing it on a commercial scale.

20 Now, the single rubber comment I made is that  
21 since the price has come down -- the price of the virgin  
22 feedstock has gone down 30, 35, 40 cents a pound. Some of  
23 the folks who were devulcanizing, who are interested in  
24 this subject for whatever reason, are switching and  
25 looking at single rubbers. Because they are higher valued

1 commodities. They are a single material. It's like one  
2 chemical compound to deal with, which is a lot easier to  
3 devulcanize than a mixture of who knows how many different  
4 types of tires. So that was my comment with regard to  
5 that.

6 CHAIRPERSON PEACE: Can you give me an example of  
7 what a single has -- a tire has so many different  
8 compounds and different things in it. What is a single --

9 MR. SAVAGE: Like urethane, or SBR, which would  
10 be styrene butadiene rubber. Those are different single  
11 types of rubber.

12 CHAIRPERSON PEACE: What are those in? Where do  
13 you get that stuff to devulcanize?

14 MR. SAVAGE: Where do you get the material?

15 CHAIRPERSON PEACE: What is it in?

16 MR. SAVAGE: A lot of industrial materials; drive  
17 belts, rubber belts, rubber hoses, different kinds of  
18 commodities would have those types of materials.

19 And where those feedstocks come from, why they  
20 can devulcanize those is they have industrial scrap from  
21 these manufacturing operations that use these types of  
22 materials. So they have access to these single types of  
23 rubbers.

24 COMMITTEE MEMBER MOULTON-PATTERSON: Excuse me.  
25 In your report, did you analyze anything to do with this

1 technology in air contamination?

2 MR. SAVAGE: Yes. We performed an environmental  
3 analysis in order to define what might be the potential  
4 problems. And if there are potential problems, how one  
5 might control them.

6 We found it an effort in futility to try to get  
7 emission data from devulcanization operations. This  
8 includes researchers who are performing just research on  
9 devulcanization. We also called the U.S. EPA and asked  
10 them if they had looked at regulating tire devulcanization  
11 operations. And they haven't to date simply because it's  
12 not an interest. It's not a big enough industry. But I  
13 did talk to one fellow there who's, I think, in charge of  
14 the tire manufacturing industry. And he indicated that he  
15 had had the same bad experience with trying to get data.  
16 And he, quite frankly, with interested in getting a copy  
17 of whatever we found, because he had also done his own  
18 in-house search, including looking in Europe for  
19 environmental information.

20 So we simply tried to identify what the potential  
21 chemicals are. We didn't identify what we thought the  
22 emissions might be. We said these are probably the  
23 chemicals that are going to be emitted in one fashion or  
24 another, either in the air, water, or coming out as  
25 solids. These are the potential methods that could be

1 used to control those emissions. And they're all standard  
2 emission control equipment that one would use in a  
3 chemical processing industry. And that's what we were  
4 after, because we want -- the cost is very important, as  
5 you can see here. We wanted to convince ourselves that  
6 environmental control was not going to be a big cost  
7 factor. And I think we satisfied ourselves that was the  
8 case.

9 COMMITTEE MEMBER MOULTON-PATTERSON: So there's a  
10 lot of questions in that regard? Or there's not a whole  
11 lot known?

12 MR. SAVAGE: There's not a lot of data. However,  
13 I think our team would be comfortable with the fact that  
14 if there are data and we can estimate what the emissions  
15 would be per ton, per hour processed, that control systems  
16 can be developed, commercial systems would be available,  
17 and that it wouldn't be an onerous cost impact.

18 COMMITTEE MEMBER MOULTON-PATTERSON: Thank you.

19 MR. SAVAGE: That's a general way of answering  
20 your very complicated question.

21 CHAIRPERSON PEACE: The only other comment I had  
22 to you right now is I was kind of disappointed there  
23 wasn't an executive summary.

24 MR. SAVAGE: That's been pointed out to me.  
25 We'll write an executive summary.

1           CHAIRPERSON PEACE: And also if we could maybe  
2 require that in the future of any future reports that we  
3 have done to include an executive summary with  
4 recommendations. Thank you.

5           MR. SAVAGE: You're welcome. My pleasure. Thank  
6 you very much.

7           CHAIRPERSON PEACE: We have two speakers. First  
8 speaker is Tom Faust.

9           MR. FAUST: Madam Chair, Linda Moulton-Patterson,  
10 and Carl Washington, thanks for listening to me.

11           This is the first time I've met Mr. Savage, and I  
12 did protest him having this award. I said he wasn't  
13 qualified to do it, as all his previous orientation was on  
14 garbage and waste disposal. And I wrote that comment in  
15 June, I believe, and my hindsight paid out.

16           I'm in agreement with Mr. Savage on one thing.  
17 There is a lack of data in the industry. And beyond that,  
18 I'm at the opposite end of the spectrum.

19           You know, he says that there's no ongoing  
20 commercial devulcanization in the industry. That couldn't  
21 be anything that is so -- that's a misrepresentation of  
22 fact, truth, and everything. There's a company up in  
23 Canada, NRI Industries, that has been making devulcanized  
24 products with a thermal mechanical process. They have a  
25 U.S. patent on it, and they've been making it for eight

1 years, I believe. Their current revenues are \$80 million  
2 a year. And they've earned profits of 5 to \$20 million a  
3 year. They had one year loss due to a product change.  
4 But they've have been a consistently profitable company  
5 making product out of devulcanized rubber.

6 And the characteristics, they call it Symar-D.  
7 It's anywhere between 650 and 750 PSI. And what they do  
8 is they blend that with virgin rubber. And what --  
9 anyway, they say their cost is around 18, 19 cents a  
10 pound. I've sent and I've developed my information from  
11 their Vice President of Operations, Mr. Bavington.

12 So the next thing that I'd like to comment on is  
13 his costs. Certainly, on pilot scales you have high  
14 costs. That's why no one likes to operate at pilot scale,  
15 because the costs are high because they're not scaled.  
16 But his conjecture of saying they're around a dollar a  
17 pound is another specious misrepresentation.

18 He says that he worked with Dr. Avraam Isayev  
19 from the University of Akron. I've spoken to Avraam on  
20 many occasions, and Avraam has published papers where he  
21 documents the amount of energy that's required with watt  
22 meters on an ultrasonic device. And it's around a  
23 cent-and-a-half a pound. That's using nine-cent kilowatt  
24 hour from university -- I mean from Ohio Edison. So if  
25 you take that one-and-a-half cents a pound and then

1 amortize it out along with the processing costs, you  
2 should be able to achieve a delivered cost product of  
3 around 12 cents a pound.

4 Our research at 400-pounds-an-hour -- we actually  
5 got up to 420 pounds an hour was made publicly available  
6 in June 2003. And Mr. Savage didn't avail himself of any  
7 of that information.

8 He talks about emissions repeatedly throughout  
9 his report. And I sent a copy of his report -- of his  
10 first report back in June back to the EPA tire  
11 manufacturers group, and they said most of these things on  
12 here are inaccurate. And I said, "Why are they  
13 inaccurate?" And they said tire manufacturers had to  
14 clean up their act during the Clinton administration, and  
15 they could not use these formulas that had all these  
16 carcinogens. He said so -- I said well -- and he said,  
17 "Well, look at the bottom of the dates of where these  
18 things." He says these are all pre-Clinton administration  
19 data. He says everything -- all tire manufacturers have  
20 complied and they're not -- to the best of our knowledge,  
21 not using any of these volatile formulas.

22 When he uses information in the report, for  
23 example, Table 18 on environmental analysis, that's on  
24 chapter 6, environmental analysis. And what he's done  
25 there is he cites -- he has a footnote on here,



1 "information based on types of emissions from the  
2 vulcanization area of the tire treading source, Cocheo, et  
3 al, 1983."

4 Well, I bid \$1,000 more for the contract, so I  
5 didn't get it. So anyway, we both used the same DVDE  
6 contractor, Mr. Katin. And so I knew Mr. Katin as well as  
7 Mr. Savage. So I asked Mr. Katin to review the version  
8 that I had. And he said to me that the information that  
9 had been given to him had been altered by Cal Recovery,  
10 Mr. Savage. And the original Table 18 in this book  
11 sourced and footnoted with Cocheo doesn't have the title  
12 on this.

13 What he's done is he has spent an inordinate time  
14 on chemical devulcanization. This is a process that no  
15 one in the world is using, and he's slandering another  
16 good economically desirable process and the ultrasonic  
17 devulcanization process by lumping them all together. And  
18 what's even worse is on Table 18 he lumps chemical and  
19 ultrasonic devulcanization compounds and making  
20 insinuations that they're all going to be released by both  
21 of these processes. You know, when you make a report and  
22 you cite that as your source, you have a right to, at  
23 least I've been taught, to not misrepresent the source.

24 In 1983, ultrasonic devulcanization wasn't on  
25 anyone's dream. And to make the table so it sources that

1 source of information back to 1983 as coming from chemical  
2 devulcanization is, you know -- that immediately raised a  
3 red flag with me that I was able to track it down.

4 I have Mr. Katin's e-mail describing that he was  
5 just told what he was told. He said all the draft was  
6 written by Mr. Savage or someone there, and he was just  
7 asked to make a table so he could collect his small fee.

8 When Mr. Savage says that a lot of his stuff  
9 was -- came from University of Akron and had the  
10 blessings, I don't believe Avraam Isayev would condone  
11 this. Dr. Isayev was only paid \$40 -- I mean, for 40  
12 hours of work approximately \$10,000. And Mr. Savage was  
13 essentially paid, you know, 90 percent of the rest.  
14 So, you know, you have a really good researcher that has  
15 done -- has 20 or 30 patents and has written hundreds of  
16 chemical papers. And his work has been edited, reedited,  
17 and spun out of control. And, you know, I just -- I'm  
18 inapposite with that sort of thing.

19 So, anyway, so Mr. Savage says that the economics  
20 currently are around a dollar a pound. And what you got  
21 to do is you've got to lower -- find one way to lower the  
22 cost. And I think that can be accomplished. And we can  
23 achieve 12 cents a pound.

24 COMMITTEE MEMBER WASHINGTON: Tom, you said the  
25 contractor is using old information.

1 MR. FAUST: That's correct.

2 COMMITTEE MEMBER WASHINGTON: But he's also  
3 suggested, as you just stated, that there is no new  
4 information. So what else would he use to qualify this  
5 data?

6 MR. FAUST: You don't publish -- you know, rather  
7 than having Avraam Isayev only limited to 40 hours, Avraam  
8 Isayev should have done all the final edits rather than  
9 Mr. Savage.

10 COMMITTEE MEMBER WASHINGTON: Why?

11 MR. FAUST: Because he has more personal  
12 knowledge of -- here's a man that's published well over  
13 100 papers. And when you hired him, you hired Mr. Savage.  
14 I mean, I read his thing, and you had 14 -- he had 14  
15 pages of Avraam Isayev's resume, and nobody is going to  
16 question that. And, you know, that was used essentially  
17 to get the contract. But instead of using him for what he  
18 could have done, you know, his feedback was limited to 40  
19 hours, and it was extremely cut back. I would not have --

20 COMMITTEE MEMBER WASHINGTON: I don't know if  
21 that's appropriate to say that, Tom. I don't know that we  
22 could say because someone put in as a subcontractor their  
23 resume and the man happens to have 14-pages of resume that  
24 that qualified the reason why, you know, he received the  
25 contract. I don't think that's fair, Tom.

1           What I'm trying to understand from you is what's  
2 the problem or where you find -- because, again, I'm  
3 confused as to when you first came up to the podium, you  
4 says, "I agree that there is no new information." But at  
5 the same time you're claiming they're using old  
6 information. What other information is there to use?

7           MR. FAUST: Well, you don't publish -- the first  
8 version -- I mean, I saw around four -- the staff here at  
9 Integrated Waste Board was very kind, and we all worked  
10 together. And they would send me the drafts. I would  
11 comment and send them back, and then they would sent them  
12 back to Mr. Savage. And Mr. Savage never incorporated any  
13 of the suggestions that -- for example, you know the false  
14 Table 18, all of the -- you know, there's 30 pages that  
15 contained formulas and whatever that are just totally  
16 irrelevant to this particular subject.

17           And then his -- he totally left out a viable  
18 process, this thermal mechanical process. They are making  
19 currently -- you know, they started out doing five million  
20 tires a day with thermal mechanical. And then they found  
21 out that they could improve and lower their costs so they  
22 do 2 million tires a year with thermal mechanical and 2  
23 million out of rubber feedstocks. And then they're  
24 blending that with virgin rubber.

25           But you know, that company, by the way, only

1 produces one-fifth or one-quarter of the emissions that  
2 are that -- cuts them way over the Kyoto Accord. As you  
3 know, Canada is a member of the Kyoto Accord. And we  
4 should be, in California, adopting new technologies that  
5 are Kyoto Accord friendly and do not release greenhouse  
6 gasses.

7           And so when we think about new technologies,  
8 there should always be an analysis. If he had the gaul to  
9 put in 30 pages of chemical devulcanization that no one  
10 else in the world uses because it's so harmful,  
11 environmental unfriendly process, why couldn't he have  
12 made a comparison between tire burning, tire bearing, and  
13 thermal mechanical and ultrasonic devulcanization? You  
14 know, the information was given to him, you know, but he  
15 refused to incorporate it in his report. I think that  
16 shows a bias in his editing that -- it shows he's not  
17 unbiased.

18           CHAIRPERSON PEACE: Mr. Faust, could you kind of  
19 wrap up your comments? We do have some more speakers. I  
20 do have your edits in the report. I appreciate the fact  
21 that you did this. You went to a lot of work to do this.  
22 And I would like to make it report of the public record.

23           MR. FAUST: Thank you. If you'd like that on the  
24 electronic file, I can give you the electronic version,  
25 that way it's easier to publish.

1           CHAIRPERSON PEACE: Appreciate that. That would  
2 be great. Thank you. Thank you for coming.

3           MR. FAUST: Would you like the -- Mr. Katin's  
4 comments about how the thing was altered? I also have  
5 that. Do you want me to just hold it for another time?

6           CHAIRPERSON PEACE: If you could submit that,  
7 too. Thank you.

8           Next speaker, Tracey Norberg.

9           MS. NORBERG: Good morning. I'm Tracey Norberg  
10 from the Rubber Manufacturers Association. I appreciate  
11 the opportunity to speak with you this morning.

12           As you are probably aware, we represent the tire  
13 manufacturers' interest here in the United States. And  
14 our members are keenly interested in devulcanization  
15 technologies and have been, I think, for many years. In  
16 fact, as you look through the bibliography of the report  
17 that Cal Recovery has produced, you'll see a lot of our  
18 member companies have actually published papers in this  
19 area and continue to evaluate devulcanization  
20 technologies.

21           In that vain, I'll say at the outset, we would  
22 definitely, I think, find helpful a commercially-viable  
23 devulcanization process that could actually make a rubber  
24 that is of the quality that we could use in tires.  
25 Unfortunately, at this point we don't see that quality or

1 the economic value in devulcanization materials.

2 We have reviewed the report and do find that the  
3 report is very accurate in its findings and conclusions in  
4 terms of the state of the art. We believe it's very  
5 consistent with literature reviews our own member  
6 companies have conducted in this area. And, actually, one  
7 of our member companies is in the process of publishing  
8 some more literature review that I think -- and the  
9 findings I think will be very consistent.

10 We believe that the document correctly states  
11 that there are no commercially-viable processes at this  
12 point that can at least -- that we have seen in the  
13 United States and that can be used especially in tire  
14 manufacturing.

15 COMMITTEE MEMBER WASHINGTON: Have you guys heard  
16 of the technology that Mr. Faust has talked?

17 MS. NORBERG: Yes. We have heard it. It's our  
18 understanding they're doing more of a surface modification  
19 and not true devulcanization. But we are aware of their  
20 process, yes.

21 CHAIRPERSON PEACE: So that process what they're  
22 producing isn't being used in tires. It's being used in  
23 other --

24 MR. NORBERG: I think one thing it helps to look  
25 at when you're talking about the kind of rubber that can

1 be produced from devulcanization processes, it's important  
2 to look at what markets they could possibly go into,  
3 whether it's something like tires or even our engineering  
4 products that are used in highly specialized applications,  
5 belts, hoses, seals, and gaskets, for example, that have  
6 high performance requirements, and a reduction in quality  
7 just definitely is not acceptable in those products as  
8 well as in tires.

9 But if you're looking at a product that might not  
10 have the kinds of demands that a product on an automotive  
11 or industrial application might, that might be a more  
12 appropriate market. So I think it's kind of important to  
13 separate the potential markets and look at those  
14 differently.

15 We do believe that there could be some value in  
16 additional research, but it's important, again, to tie  
17 that research to the likelihood of success of a product of  
18 commercial viability. Research for research sake is  
19 laudable, but we would believe that in this situation the  
20 Board should really focus on those technologies that have  
21 potential. We have not seen really any technologies that  
22 have gone beyond the lab scale or bench scale process that  
23 we think are viable in this sense at this point.

24 The report does look at a bunch of different  
25 technologies, as Mr. Savage outlined. And we believe



1 really at this point that the chemical and mechanical  
2 processes have the most potential and those processes  
3 might merit some additional research.

4           One thing that we would be interested in, if the  
5 Board is looking at going further in this direction, is  
6 some way in which we would give you guidance in terms of  
7 what technologies might actually be helpful in our  
8 industry. Because certainly if something is economically  
9 commercially viable, we would want to be able to partake  
10 in it and use it in our products. So if there can be some  
11 link-up with the manufacturers to try to advise as far as  
12 what technologies might be useful in our products, that  
13 would be something we would definitely be interested in  
14 participating with you. So just to kind of give that in a  
15 nutshell.

16           I know there was some mention of emissions from  
17 tire manufacturing and the chemicals that are used in  
18 tires. Just to clarify, EPA did develop what a maximum  
19 achievable control technology standard for tire  
20 manufacturing. It was finalized a couple of years ago.  
21 And really what it regulated were the solvents. They're  
22 used in tires, not the rubber compounds themselves. So  
23 while tire manufacturers have made manufacturing changes,  
24 those compounds they've mostly taken out of products are  
25 manufacturing aids. They're solvents that they use to

1 make the rubber layers to adhere to one another before a  
2 tire is cured. So it's really wholly different than the  
3 rubber compounds themselves that comprise the different  
4 layers of the tire. Those compounds really haven't  
5 changed in a substantial way for quite some time. So if  
6 that helps just clarify that just a little bit.

7 So do you all have any questions about tire  
8 manufacturers' interest in this or manufacturing anything  
9 at this point?

10 CHAIRPERSON PEACE: Well, I guess tire  
11 manufacturers have an interest in it if the cost was  
12 lower, and if there were test standards that could prove  
13 that the devulcanized material was actually as good as the  
14 virgin material that's used now or as safe as the virgin  
15 material.

16 MS. NORBERG: That's really the key. I think you  
17 all are well aware that tires are not one compound.  
18 They're many compounds. Ten to 20 can be a common number  
19 of compounds that you'll find in one tire. So if you were  
20 to devulcanize an entire tire, even though the sulfur  
21 bonds might have been broken, you've really got a mishmash  
22 of rubber compounds. That's one area that might be  
23 helpful to us to focus on areas where you can separate the  
24 different types of rubber that would be coming from a  
25 tire. Because, you know, we look at the components that

1 are required for each layer, and they do need to be  
2 different and distinct to perform those requirements that  
3 they need to on the tire. So that's one of the quality  
4 issues, I think.

5 And safety really is our first and foremost  
6 concern as we manufacture tires. And that we can't  
7 compromise on. That's really, I think, our line in the  
8 sand when it comes to adding new chemicals or materials  
9 into tires. So, definitely, quality would be the issue.

10 CHAIRPERSON PEACE: So at this point we need to  
11 look not to use devulcanized material in tires, but look  
12 for other markets.

13 MS. NORBERG: That would be my recommendation.  
14 Start with something that does not have strenuous  
15 performance requirements. Something that doesn't, for  
16 example, have to go under load requirements, torque  
17 requirements. Because even like motor mounts that are on  
18 your vehicle do have to withstand a lot of torque, and so  
19 those kinds of product, too, would not be the most  
20 appropriate. But if you look at products that have more  
21 of a static state in their application, that would be  
22 probably the best place to start and work from there.

23 CHAIRPERSON PEACE: Thank you.

24 MS. NORBERG: Thank you.

25 CHAIRPERSON PEACE: Next speaker is Scott

1 Smithline from Californians Against Waste.

2 MR. SMITHLINE: Madam Chair, Board members,  
3 Committee members, thank you. Just a couple of really  
4 brief comments.

5 I think the previous speaker raised some  
6 important questions about the study. And I would just  
7 appreciate if we had an opportunity for the consultant to  
8 respond to those. And I presume that will happen.

9 In a broader scheme of things, I really think the  
10 Board, you know, needs to focus on any new technology that  
11 has promise at this point, because we really have a  
12 problem with tires in this state. And, otherwise,  
13 everything is going to go to, you know, lower uses than we  
14 would really like to see.

15 And one of the things that I think would be good  
16 to focus on is, do any of these technologies have the  
17 potential for close-loop recycling? Do any of these have  
18 the future potential? Maybe they're not there yet. But  
19 can we work with them? Can we get to a point with this  
20 technology where we are putting tires back into tires?  
21 Are any of these even close, I guess is the question I  
22 would want to know. Because we need to focus our  
23 resources somewhere. And there's not a lot of great  
24 options on the table now yet. So if this is even a future  
25 viable option, I think we need to give it a second look.

1           The consultant suggested that ultrasonic probably  
2 has the most potential of all these technologies. So  
3 perhaps that's a question that could be posed to the  
4 consultant as well on that technology.

5           CHAIRPERSON PEACE: Thank you, Scott.

6           Mr. Savage, I saw you shaking your head. Did you  
7 want to make some comments?

8           MR. SAVAGE: Thank you for the opportunity.

9           I have to say I've been in this business for 35  
10 years, and this is the first time I've ever had an attack  
11 like that. I'm not going to get into the personal issues,  
12 other than to say we asked Mr. Faust more than once to  
13 back up his claim of 12 cents. I have e-mails to him. I  
14 have faxes from him. We did not get comments on the  
15 report or any kind of detail until after we submitted our  
16 report.

17          So I want the Committee to understand that we  
18 tried to do an objective job. We tried to collect as much  
19 information as we can. We had suppliers give us  
20 information. I think in a lot of cases because they know  
21 Cal Recovery, they trust us. We sound like we know what  
22 we're doing. So I was disappointed we didn't get back up  
23 from Mr. Faust. We didn't hold it against him. I think  
24 he said his name appears three times in our report. I  
25 think it does.

1           He's promoting ultrasonic technology. I don't  
2 think we slammed ultrasonic technology. So that's all I  
3 wanted to say with regard to trying to get objective  
4 information. If people don't provide it, unfortunately,  
5 we're not regulators. We can't put a hammer over them.

6           A few other things. I'm make this real fast. He  
7 mentioned Symar-D. We called the manufacturer and asked  
8 them to get the specifications. It's on their website.  
9 They don't produce it now.

10          Dr. Isayev, he raised a very interesting point  
11 about Dr. Isayev. Isayev has been in the business a long  
12 time. He has high credentials. But even with that, he's  
13 also a developer and has patents with his name on it for  
14 ultrasonic technology. Kind of a different sub-category  
15 of ultrasonic than Mr. Faust and his colleagues. We  
16 wanted Isayev involved because he had been in the business  
17 for so long. We did not want him to bias the report.  
18 Consequently, he didn't do half the work. However, he did  
19 review the final report. He did have input into the type  
20 of chemicals that we say are representative of what  
21 potentially a devulcanization process could generate. So  
22 I want you to understand that he contributed, but we did  
23 not have him author the whole report, because in our  
24 opinion that would have been dereliction of duty on our  
25 point. I see you're nodding your heads. I see I've made

1 my point.

2 I think Tracey, who I've talked on the phone but  
3 never met before and didn't know she was going to be here,  
4 cleared up the tire manufacturing information that the EPA  
5 has. It's apples and oranges.

6 With regard to the Katin comments -- interesting  
7 we had the same subcontractor. That explains a lot to me.  
8 I will say that Mr. Faust was correct. We gave Mr. Katin  
9 the types of chemicals that we thought would be  
10 representative of the industry. Again, if there was  
11 better information out there, somebody give it to me.  
12 Even the EPA couldn't do that.

13 Mr. Katin took that information and analyzed what  
14 kinds of control systems you would need if, in fact, there  
15 were going to be emissions. He carried it out. He did  
16 not have the qualifications to figure out what types of  
17 chemical and chemical compounds were in tires. It's not  
18 his business. He didn't have that background. We didn't  
19 ask him to do that. So I wanted you to understand that.

20 We had three people who had input on that data.  
21 Isayev -- I'm talking about this famous Table 18, I guess  
22 it's going to become. Dr. Isayev, helped us select that  
23 table. Tom Kenat looked at that table and approved it.  
24 And Cal Recovery went with their judgments, because we  
25 couldn't find any other data. We said we want to have

1 something. We want to address environmental analysis in  
2 some fashion. I think we did a respectable job given the  
3 data. And I think we explained what all our assumptions  
4 were. I want to clear that up.

5 I really take issue with not being objective. I  
6 think we bent over backwards with the composition of the  
7 team. That's why I had that as one of the slides here, so  
8 you would understand that we're trying to give the Board  
9 the very best information. Quite frankly, you know, to  
10 me, I'm a recycling person. But it's going to be up to  
11 you to decide whether or not devulcanization ought to be  
12 promoted by the state and how it's going to be promoted.  
13 We simply wanted to give you the facts. And I'll rest on  
14 my record that we've given you the facts.

15 Now, you can take the data and make good  
16 judgments. We'd be happy to help you along and we'll  
17 write the executive summary. And I would second Tracey's  
18 suggested help. Cal Recovery would be willing to at least  
19 help define what type of a project might make sense in  
20 terms of what should the criteria be.

21 And then, lastly, with regard to Scott's question  
22 with regard to ultrasonic, I don't -- we said it was the  
23 best based on available current technology. Tracey and  
24 the RMA has a different opinion. That's fine. I think  
25 part of -- if you do fund work on this, it would be good



1 to find out what technology is best. And I don't think  
2 you necessarily have to send out an RFP if you're going to  
3 do it that way and decide to move forward on this that  
4 would look just at ultrasonic. I would keep it broader  
5 than that.

6 And I think those are my closing remarks. So I  
7 appreciate the opportunity for a little rebuttal. Thank  
8 you.

9 CHAIRPERSON PEACE: Thank you.

10 Any more comments?

11 I did want to thank Boxing Cheng. He did an  
12 awful lot of work on this report. And thank you for all  
13 this work.

14 This will be a Committee only item. I don't  
15 think we're going to put that to the full Board. And  
16 that's the end of that item.

17 Before we adjourn though, I did have a question.  
18 Something has come to my attention, and I just want to get  
19 an answer to it. As I recall -- and maybe Mike and Linda  
20 and Carl will remember, that at a Board meeting in San  
21 Jose last year that there was an item authorizing the  
22 expenditure of funds for a social marketing idea. And it  
23 was to buy tire gauges and to get people to sign up to say  
24 they're going to check the pressure in their tires. And  
25 at that time I believe the Board members did not want to

1 do this, and the item was pulled.

2 But recently I was told that, in fact, we did buy  
3 tire gauges. And I was just wondering how much money we  
4 paid for those tire gauges, and where did the money come  
5 from if we pulled that item and reallocated the money?

6 WASTE TIRE DIVISION SUPERVISOR DELMAGE: I  
7 believe the money did come from the Five-Year Plan item  
8 for social marketing and outreach. And I'm not sure of  
9 the exact amount. It was purchased out of Public Affairs  
10 Office to support the Keep California Rolling Campaign.

11 CHAIRPERSON PEACE: I know that's where they  
12 ended up being used, and that's fine. But why were they  
13 purchased in the first place if we pulled the item? I  
14 don't understand why they were purchased in the first  
15 place.

16 WASTE TIRE DIVISION SUPERVISOR DELMAGE: I'm not  
17 sure. I believe that the item was pulled, but I didn't  
18 know that it was pulled because the Board members didn't  
19 want to do the project. I'm not sure of why the item was  
20 pulled exactly. But we went forward with the concept and  
21 tagged it onto the Keep California Rolling campaign, and I  
22 believe got quite a bit of bang for our buck by tagging  
23 onto such a big operation statewide.

24 CHAIRPERSON PEACE: The way the money ended up  
25 being used being tagged on the Keep California Rolling I

1 think was a good use of our money. But I'm just wondering  
2 if it was never approved by the Board, if we said, no, you  
3 can't do this social marketing concept, how was it that  
4 the money was expended for something else without coming  
5 back before the Board?

6 DEPUTY DIRECTOR LEE: Madam Chair, we'll look  
7 into that. Like I say, I was at the March meeting. The  
8 details of that escapes my memory. We'll look into that  
9 and be prepared to respond back to the Committee and the  
10 Board separately.

11 CHAIRPERSON PEACE: Okay.

12 COMMITTEE MEMBER WASHINGTON: As well, Madam  
13 Chair, Tracey is here with the tire folks. And I think  
14 Senator Liz Figueroa and the Rubber Manufacturers  
15 Association is doing a campaign on smart tires, and maybe  
16 that's something we can latch onto or take a look at. If  
17 you want to comment on that campaign, Tracy.

18 MS. NORBERG: Just briefly, RMS does have a tire  
19 care and maintenance campaign. It's called, "Be Tire  
20 Smart, Do Your Part." PART is a nice acronym for  
21 pressure, alignment, rotation, and tread.

22 And I believe -- I'm not sure of the ins and outs  
23 of actually purchasing the tire gauges. But I know that  
24 your PR folks did speak with our communications vice  
25 president at the time that gauges were purchased to try

1 and work with us during our tire safety week events. It's  
2 my understanding that they didn't -- the events didn't  
3 actually happen. There was something about wanting  
4 customers to fill out a card and return it and that didn't  
5 seem like anyone would do it to our sense. But --

6 CHAIRPERSON PEACE: That's why we pulled the  
7 item.

8 MS. NORBERG: But we do hand out tire gauges all  
9 over the country, and we have brochures that promote  
10 proper tire and safety. The information is on our  
11 website. It's an annual campaign with us. We do a big  
12 event or big week every year. It's usually the end of  
13 April, first week in May, somewhere in there. And we try  
14 to solicit participation from state agencies as well as  
15 tire stores and other partners and welcome the Board's  
16 continued participation and support of that activity.

17 COMMITTEE MEMBER WASHINGTON: And I just want you  
18 to mention that, because I guess I don't want -- it  
19 doesn't seem like we need to be duplicating. If someone  
20 is doing it, we'll just join in as the Board and --

21 MS. NORBERG: We take all partners. We're not  
22 picky. And actually the PSA that you mentioned, the  
23 public service announcement, Senator Figeroa did do  
24 English and Spanish versions I believe of PSAs that were  
25 broadcast on radio stations throughout the state that

1 promoted proper tire care through our organization

2 basically. Okay.

3 COMMITTEE MEMBER MOULTON-PATTERSON: I do

4 remember us pulling that. And the point was that we

5 didn't think it was a good deal. And so I am surprised

6 that somewhere you got direction to go ahead with it. And

7 I would like you to look into it and see what the deal is

8 on it. I mean, that's my recollection.

9 CHAIRPERSON PEACE: Okay. So we'll get a report

10 back on that and find out what happened.

11 DEPUTY DIRECTOR LEE: Yes, you will.

12 CHAIRPERSON PEACE: And if there are no further

13 comment, this meeting is adjourned.

14 (Thereupon the California Integrated Waste

15 Management Board, Special Waste and Market

16 Development Committee adjourned at 11:06 p.m.)

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1 CERTIFICATE OF REPORTER

2 I, TIFFANY C. KRAFT, a Certified Shorthand  
3 Reporter of the State of California, and Registered  
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the  
6 foregoing hearing was reported in shorthand by me,  
7 Tiffany C. Kraft, a Certified Shorthand Reporter of the  
8 State of California, and thereafter transcribed into  
9 typewriting.

10 I further certify that I am not of counsel or  
11 attorney for any of the parties to said hearing nor in any  
12 way interested in the outcome of said hearing.

13 IN WITNESS WHEREOF, I have hereunto set my hand  
14 this 15th day of October, 2004.

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